



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: **C-1**

July 5, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AWARD OF PUBLIC WORKS CONSTRUCTION CONTRACT
SUPERVISORIAL DISTRICT 3
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

Award and authorize the Acting Director of Public Works or his designee to prepare the construction contract in the form previously approved by County Counsel, execute the contract, and establish the effective dates following receipt of approved Faithful Performance and Labor and Material bonds filed by the contractor for the following:

Project ID No. FCC0000971 - Lindero Canyon, Agoura Road to Lake Lindero Drive, City of Agoura (3), to Olivas Valdez, Inc., in amount of \$755,818.70.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board award this construction contract and authorize the Acting Director of Public Works or his designee to execute the contract and establish the effective contract dates following receipt of approved bonds and insurance filed by the contractor for this project.

The enclosure for this project includes the project description, the call for bids and bid opening date, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposals for this project are also enclosed including addenda to the contract for Project ID No. FCC0000971.

The recommended contract is necessary to execute Board-directed and approved Public Works projects in support of operational missions. Your Board's approval of the recommended contract award and our subsequent execution of the contract will ensure the timely completion of the project.

Implementation of Strategic Plan Goals

The award of this construction contract is consistent with the County Strategic Plan Goal of Service Excellence since the construction of this project will provide improved infrastructure to better serve the public.

FISCAL IMPACT/FINANCING

The enclosure for this project includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and detailed fiscal information.

This project is included in the 2005-06 Department of Public Works Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contract award is to the lowest responsible bidder in accordance with the California Public Contract Code and your Board's directives.

On October 27, 1981, your Board adopted a program for the use of small Minority and Women-owned Businesses (MWBs) on Federal- and State-funded highway construction contracts. Companies meeting these requirements are certified by the State as Disadvantaged Business Enterprises (DBEs). An overall goal for subcontracting portions of the work to DBEs is established for each project. Contracts are recommended for award to the lowest responsible bidder who meets the goal or documents a good faith effort to do so in conformance with the program.

We have also developed an outreach program to encourage all qualified contractors to participate in the bidding and contracting process on our projects. Under this program, we place notices of upcoming bids in local and minority newspapers throughout the County. These notices indicate that copies of plans and specifications are available at specified libraries and the Public Works Headquarters building. This

allows interested contractors to view the plans and specifications at convenient locations. We also provide telephone numbers (including one for Spanish-speaking contractors) to obtain further information on bidding and subcontracting opportunities.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on the County website for upcoming bids.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

This contract will be in the form previously approved by County Counsel. We will also review and approve the faithful performance and payment bonds filed by the contractor.

ENVIRONMENTAL DOCUMENTATION

This project was found to be categorically exempt from the provisions of the California Environmental Quality Act at the time your Board called for bids. The specifics of these findings are included in the enclosure for this project.

CONTRACTING PROCESS

The contract was solicited on an open competitive basis in accordance with the provisions of the Public Contract Code. The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

Public Works has confirmed that the respective contractor is in compliance with the County's Child Support Compliance Program and the requirements of the Contractor Employee Jury Service Program. In addition, the contract will include language requiring compliance with the Newborn Abandonment Law (Safely Surrendered Baby Law).

The project specifications also contain a provision that, should the contractor require additional or replacement personnel to fill employment openings, consideration shall be

The Honorable Board of Supervisors
July 5, 2005
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given to hiring qualified participants in the County's Greater Avenues for Independence or General Relief Opportunities for Work Programs.

To ensure that the contracts are awarded to responsible contractors with satisfactory performance histories, False Claims Act violations, labor law/payroll violations, debarments, their civil litigation history, and information regarding prior criminal convictions. The information reported by the respective contractor was considered before making this recommendation to approve execution of the contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This construction contract will result in improved public works infrastructure in the communities where the work is scheduled. Where appropriate, local residents and businesses will be informed that traffic and local access may be mildly disrupted during the construction. The proposed schedule for construction is included in the enclosure for this project.

CONCLUSION

Please return one adopted copy of this letter to Public Works.

Respectfully submitted,

DONALD L. WOLFE
Acting Director of Public Works

PB:
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Enc.

cc: Chief Administrative Office
County Counsel
Office of Affirmative Action Compliance

AWARD OF CONTRACT
July 5, 2005

PROJECT ID NO. FCC0000971, LINDERO CANYON, AGOURA ROAD TO LAKE LINDERO DRIVE (City of Agoura), Supervisorial District 3

TYPE OF WORK: Replacement of a damaged reinforced concrete transition structure and other appurtenant work.

CALL FOR BIDS DATE: May 17, 2005 (Synopsis 63)

BID OPENING DATE: June 21, 2005

BID SUMMARY:

Low	+*Olivas Valdez, Inc., a corporation P.O. Box 4576 Covina, California 91723 (626) 915-7633	\$ 755,818.70
2	Superior Gunite	\$ 899,856.50
3	+Buso Constructors, Inc.	\$ 941,224.00
4	Mike Bubalo Construction Co., Inc.	\$1,264,065.00
5	Blois Construction, Inc.	\$1,264,181.00

*MWBE
+LSBE

FINANCIAL INFORMATION:

Amount of estimate	\$ 627,019.00
Amount of recommended contract	\$ 755,818.70
Amount of recommended contract above estimate	\$ 128,799.70

The amount of the recommended contract is 20 percent above the estimate.

Sufficient funds for this project are available to the Flood Control District for the Fiscal Year 2005-06.

On May 17, 2005, your Board authorized the Acting Director of Public Works to award the contract to the lowest responsive and responsible bidder within the estimated construction cost. The estimated construction cost is in the range of \$600,000.00 to \$700,000.00. However, the lowest bid exceeded the authorized amount by \$55,818.70. A review of the estimate indicates that the prices estimated for shoring of open excavations, mobilization, excavation, and landscape and irrigation were below current market prices. We do not believe that readvertising the project will result in lower bids. We recommend award of the project to Olivas Valdez, Inc., in the amount of \$755,818.70

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Olivas Valdez, Inc., an MWBE, has two MWBE subcontractors/suppliers under this contract, yielding a proposed MWBE participation of 12 percent. This contract does not have a Federal- or State-mandated DBE goal.

ENVIRONMENTAL IMPACT:

The California Environmental Quality Act requires public agency decision makers to document and consider the environmental implications of their actions. This project qualifies for a Statutory Exemption pursuant to Section 21080 (b)(3), of the California Environmental Quality Act.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 60 working days. It is estimated that the work will start in July and be completed in October 2005.

HC

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